Approved for Releast @ P05/5 EGRIE 19T00975A007400120001-6

25X1

5 December 1963

Copy No.

25X1

# CENTRAL

# INTELLIGENCE

# BULLETIN



25X<sup>2</sup>

STATE review(s) completed.

GROUP 1 Excluded from automatic downgrading and declassification

5 December 1963

## CENTRAL INTELLIGENCE BULLETIN

# CONTENTS

1. Cambodia: Government may back off from renunciation of US aid. (Page 1)

4. Middle East Oil: Agreement still not reached.

25X1

- 4. Middle East Oil: Agreement still not reached in oil revenue negotiations. (Page 4)
- 5. Iraq: Moves to eliminate Baathists from the government begin. (Page 5)
- 6. Laos: Assassination of neutralist officer could aggravate factional differences. (Page 6)
- 7. Notes: Thailand; Cyprus; Egypt Saudi Arabia;

# CENTRAL INTELLIGENCE BULLETIN

5 December 1963

# DAILY BRIEF

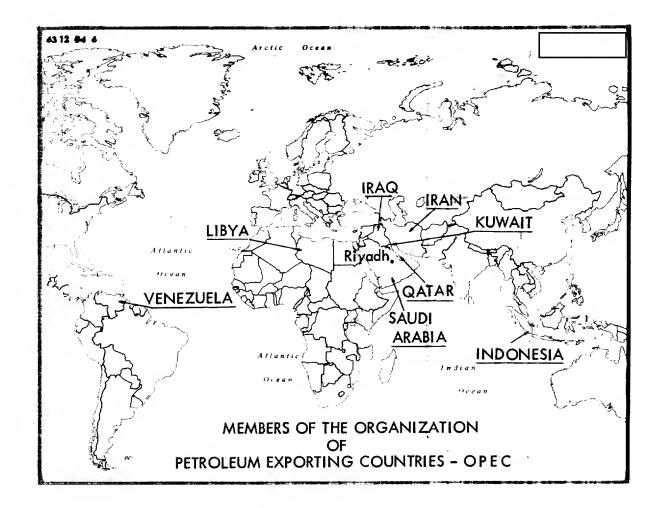
<u>Cambodia</u>: Cambodia appears to be backing away from its renunciation of US aid and to be maneuvering for renegotiation of aid agreements on more favorable terms.

During aid termination talks with US officials on 3 December, a Cambodian cabinet spokesman decried the "unilateral" decision by the US to end its assistance program. He "suggested" that aid continue for a "terminal" period of six months, after which a new agreement would be negotiated. He indicated that under a new agreement US MAAG and AID personnel would be permitted to remain in reduced numbers.

If the spokesman's statements reflect a new decision to keep US aid, such a decision might be a product of economic difficulties already experienced as a result of termination, influence of the more conservative members of Sihanouk's government, and disappointment that other countries—especially France, Communist China, and the Soviet blochave not made firm offers to fill the aid gap.

Alternatively, Sihanouk's renunciation two weeks ago may never have been intended to break the US aid relationship completely.

Approved For Release 2003/05/16: CIA-RDP79T00975A007400120001-6



25X1

Middle East Oil: Major international oil companies and Secretary General Rouhani of the Organization of Petroleum Exporting Countries (OPEC) still have not reached agreement in their negotiations regarding increasing oil revenue for Middle Eastern producing countries.

Because the companies refuse to recognize OPEC as a bargaining agent, Rouhani acts as representative of individual OPEC members. He is negotiating, however, on the basis of resolutions adopted at an OPEC meeting last year.

The Western oil consortium operating in Iran, acting as lead man for the major companies, has offered a formula which would increase payments to the Middle Eastern governments by about three and a half cents per barrel, but Rouhani up to now has been holding out for a much larger rise. There is also disagreement on a number of points relating to the method of calculating the governments' shares. \*On 4 December, a meeting of OPEC representatives in Beirut announced rejection of the consortium's proposals.

Rouhani's position is somewhat weakened by an apparent tendency of three leading OPEC members-Kuwait, Saudi Arabia, and Iran-to take a more flexible attitude than Rouhani seems to favor.

The OPEC members will discuss possible courses of action at their next general conference, scheduled to be held in Saudi Arabia at the end of this month.

\*Iraq: (Anti-Baathist officers and members of the government have begun to eliminate Baathist influence in the regime.)

The Baathist Minister of Communications, a leader in the moderate faction of the party, has been eased out of office and exiled to Beirut with several associates. Baathist Vice President Bakr reportedly is also leaving the country. Hardan Tikriti, a strong Baathist who holds the key defense ministry post, has requested a British visa.)

Pressures for a move against Baathists still holding positions of power have been growing among "Arab nationalist" army officers and government officials desiring closer relations with Cairo. President Arif has apparently acquiesced in the action against the Baath, but his role in the move is not yet clear.)

While the anti-Baathist faction now appears to have the upper hand, the fate of 4th Division commander Nasrat is not certain. A dedicated Baathist, he reportedly has surrounded Baghdad in the expectation of a showdown. If he still retains his command he may attempt to redress the present situation.)

The decay of the Baathist position in Iraq is almost certain to further undermine the position of the party in Syria.

\*Laos: The assassination of Lt. Col. Leuang Kongvongsa by an unknown assailant in Vientiane this morning very likely will aggravate factional differences among the neutralist forces in Laos.

Leuang, intelligence chief in the Special Military Cabinet headed by General Amkha, had been the leader of a group of neutralist officers opposing the developing alliance between the forces of Kong Le and General Phoumi. He and his supporters maintained that the neutralists should adhere to a strict middle-of-the-road position, dependent on neither the right-nor left-wing factions.)

Many neutralist and rightist officers were bitterly opposed to Leuang's views, fearing that his concept of strict neutrality would only play into the hands of the Pathet Lao.

25X1

25X1

25X1

25X1

5 Dec 63

DAILY BRIEF

6

Thailand: Critically ill Premier Sarit has named Deputy Premier and Defense Minister Thanom Kittikachorn as acting prime minister, and has appointed General Chitti Navisathien acting commander in chief of the Thai Army. Evidently fearing that a struggle for power would occur during his illness, Sarit has urged members of the government to remain united behind Thanom. Even so, a struggle among Sarit's subordinates may break out, but it would be unlikely to result in a change in the form of government or in Thailand's pro-Western alignment.

25X1

Cyprus: (Explosion of a bomb at the base of a monument to a Greek Cypriot in Nicosia on 3 December is likely to contribute to a further deterioration in relations between the Greek and Turkish Cypriot communities. The incident followed President Makarios' formal, but still unpublicized, presentation to Turkish Cypriot Vice President Kuchuk of the Greeks' demands for revision of the constitution. Reports that a Greek Cypriot paramilitary force recently has been receiving intensive training under a Greek Army officer stationed on Cyprus are another indication of the increasingly tense atmosphere on the island.

25X1

Egypt - Saudi Arabia: Cairo may be preparing a major propaganda campaign against the US and Saudi Arabia in anticipation of a new crisis over the Yemen disengagement issue. Recent Egyptian radio-broadcasts have been exceptionally critical of the US-Saudi relationship. This week both the Voice of the Arabs and the clandestine Voice of the Arab Nation viciously attacked the US oil company in Saudi Arabia and the US use of Dhahran airfield there as representing US exploitation and domination.

25X1

5 Dec 63

DAILY BRIEF

Approved For Release 2003/05/16 : CIA-RDP79T00975A007400120001-6

# NATIONAL INTELLIGENCE ESTIMATE

(The United States Intelligence Board, on 4 December 1963, approved the following national intelligence estimate:

SNIE 30-4-63: "The UAR Missile Program and

Its Implications for Israel"

25X1

#### THE PRESIDENT

Executive Offices of the White House

Special Counsel to the President

The Special Assistant for National Security Affairs

The Scientific Adviser to the President

The Director of the Budget

The Director, National Aeronautics and Space Administration

### The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Counselor and Chairman of the Policy Planning Council

The Director of Intelligence and Research

### The Treasury Department

The Secretary of the Treasury

The Under Secretary of the Treasury

## The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Assistant Secretary of Defense (International Security Affairs)

The Assistant Secretary of Defense

The Chairman, The Joint Chiefs of Staff

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Chief of Staff, United States Army

Commandant, United States Marine Corps

U.S. Rep., Military Committee and Standing Group, NATO

Supreme Allied Commander, Europe

Commander in Chief, Pacific

Commander in Chief, Atlantic

The Director, Defense Intelligence Agency

The Director, The Joint Staff

The Director for Intelligence, The Joint Staff

The Assistant Chief of Staff for Intelligence, Department of Army

The Director of Naval Intelligence, Department of Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

#### The Department of Justice

The Attorney General

The Federal Bureau of Investigation

The Director

The Atomic Energy Commission

The Chairman

The National Security Agency

The Director

The United States Information Agency

The Director

The National Indications Center

The Director

